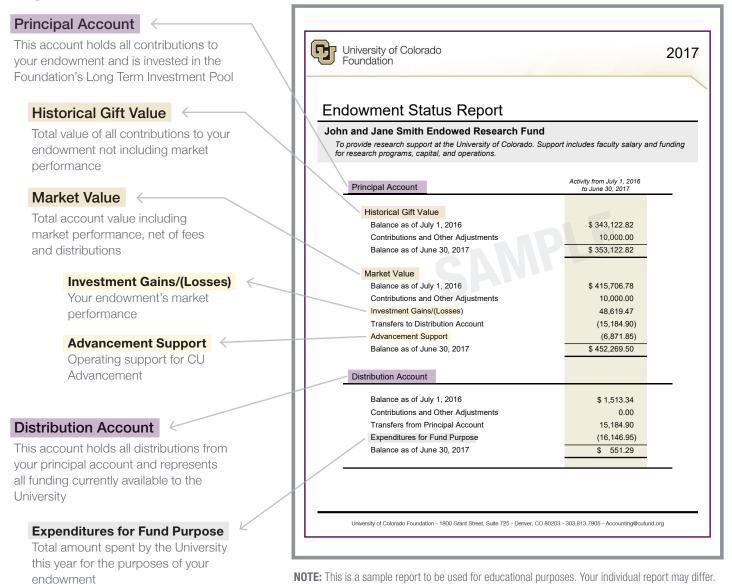
Key to Understanding Your Endowment Status Report

This reference guide details how to read your Endowment Status Report, including how to differentiate between the values of the principal and distribution accounts, and your contribution's historical and current market values. On the reverse side, a glossary provides more detail on terms used in this report.

Key Terms



Did You Know?

Your endowed fund provides annual support to the University through distributions that are approximately 4% of market value. To preserve long-term value and maximize future impact, your endowed fund is invested in the Foundation's Long Term Investment Pool (LTIP). Over the past 10 years, the LTIP has provided donors an average return of 5.43%, net of all investment fees. In FY17, the LTIP gained 15%.

Learn more about FY17's performance and read an investment outlook in our quarterly Investment Update, which you can download at **giving.cu.edu/cufoundation**.

Glossary of Terms

Financial information is reported in a Principal (or Endowment) Account and in a Distribution Account. The Principal Account holds all contributions to the endowment and is invested in the Foundation's Long Term Investment Pool (LTIP). The Distribution Account holds all distributions from the Principal Account and represents all funding currently available to be spent by the University.

Principal Account

Historical Gift Value: This is the total value of all contributions to your endowment. For quasi-endowments, this may reflect liquidations of principal.

Market Value: This is the net value of all activity recorded in your endowment, including, but not limited to, contributions, investment activity, distributions and fees.

Contributions and Other Adjustments: This includes all contributions credited to the fund.

Investment Gains/(Losses): This reflects the net of all market-related activity, including interest and dividends, unrealized gains/(losses), realized gains/(losses), as well as investment management and consulting fees.

Transfers to Distribution Account: In accordance with the Foundation's Endowment Spending Policy, each year approximately 4% of the market value of the Principal Account balance is transferred from the Principal Account into the Distribution Account, where it is available to be spent by the University. For quasiendowments, this may include liquidations of principal.

Advancement Support: The University uses revenue generated by endowments to fund its advancement operations. Since 2005, the standard assessment has been 1.9% on the first \$1 million in an endowment fund and 1% on amounts in an endowment fund greater than \$1 million. The \$18 million in revenue generated by all endowments in FY17 funded nearly half of the University's advancement operations, which in turn enabled the University's development professionals to work with donors who gave \$386.3 million in private support to the University in FY17.

Distribution Account

Contributions and Other Adjustments: This includes all contributions credited to the Distribution Account. Amounts in a Distribution Account invested in the LTIP per the direction of a gift agreement or a fund manager are subject to the same fees and market risks as if the funds were still held in a Principal Account.

Transfers from Principal Account: In accordance with the Foundation's Endowment Spending Policy, each year approximately 4% of the market value of the Principal Account balance is transferred from the Principal Account into the Distribution Account, where it is available to be spent by the University.

Expenditures for Fund Purpose: This is the total amount expended by the University this year for the purposes of your endowment.

We Can Answer Your Ouestions

Email accounting@cufund.org or call the Foundation's CFO, Mike Pritchard, at 303-813-7905.

Remember that quarterly investment updates are posted at **giving.cu.edu/cufoundation** throughout the year.